

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE		PAGE OF PAGES <b>1</b>   <b>5</b>		
2. AMENDMENT/MODIFICATION NO. <b>A0004</b>		3. EFFECTIVE DATE <b>08/20/2001</b>		4. REQUISITION/PURCHASE REQ. NO.		5. PROJECT NO. <i>(If applicable)</i>	
6. ISSUED BY <b>U. S. DOT/RSPA/Volpe Center</b> <b>55 Broadway</b> <b>Kendall Square</b> <b>Cambridge, MA 02142</b>		CODE <b>DTS- 853</b>		7. ADMINISTERED BY <i>(If other than Item 6)</i> <b>U. S. DOT/RSPA/Volpe Center</b> <b>55 Broadway</b> <b>Kendall Square</b> <b>Cambridge, MA 02142</b>		CODE <b>DTS- 853</b>	
8. NAME AND ADDRESS OF CONTRACTOR (No., street, country, State and ZIP Code)				(X) 9A. AMENDMENT OF SOLICITATION NO. <b>X DTRS57- 01- R- 20023</b>			
				9B. DATED <i>(SEE ITEM 11)</i> <b>07/24/2001</b>			
				10A. MODIFICATION OF CONTRACT/ORDER NO.			
				10B. DATED <i>(SEE ITEM 13)</i>			
CODE		FACILITY CODE					
<b>11. THIS ITEM ONLY APPLIES TO AMENDMENT OF SOLICITATIONS</b>							
<input checked="" type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and the date specified for receipt of Offers <input type="checkbox"/> is extended, <input checked="" type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing items 8 and 15, and returning <u>  3  </u> copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment number. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.							
12. ACCOUNTING AND APPROPRIATION DATA <i>(If required)</i>							
<b>13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.</b>							
(X)	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: <i>(Specify authority)</i> THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.						
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES <i>(such as changes in paying office, appropriation date, etc.)</i> SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103 (b).						
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF :						
	D. OTHER <i>(Specify type of modification and authority)</i>						
<b>E. IMPORTANT :</b> Contractor <input type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.							
14. DESCRIPTION OF AMENDMENT/MODIFICATION <i>(Organized by UCF section headings, including solicitation/contract subject matter where feasible.)</i>							

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER <i>(Type or print)</i>		16A. NAME AND TITLE OF CONTRACTING OFFICER <i>(Type or print)</i>	
15B. CONTRACTOR/OFFEROR  <i>(Signature of the person authorized to sign)</i>	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA  BY <i>(Signature of the person authorized to sign)</i>	16C. DATE SIGNED

L.5, GENERAL INSTRUCTIONS, page 56, delete the last paragraph, Consistency Between Technical and Cost/Business Proposals, and replace with the following. The language is revised slightly to provide clarity.

Consistency Between Technical And Cost/Business Proposals. Offerors are required to ensure that the technical and cost/business proposals are consistent. All aspects of the technical proposal that impact cost, whether the cost treatment is direct or indirect, shall be identified in the cost/business proposal. This includes, for example, ensuring labor cost properly reflects salaries of persons whose resumes were submitted. Offerors shall identify in the cost/business proposal those persons whose resumes were provided in accordance with Section C and show how their actual labor rates (salary divided by 2,087 hours) are incorporated into the category rates proposed.

L.7.1, page 66, delete the paragraph beginning "For evaluation purposes, Offerors are required . . .", and replace with the following paragraph. Revised language is shown in bold print.

For evaluation purposes, Offerors are required to propose estimated costs using the **technical** hours provided below. **The administrative hours are the Government's estimate and may be adjusted by the Offeror as long as the rationale for the change is provided. In any event, the Offeror should disclose the types of administrative support that it considers direct labor because only those labor categories will be billable during performance without Contracting Officer approval.** Hours provided are for one year only. Hours should be apportioned between the prime and its subcontractors in a manner consistent with the Offeror's technical proposal. Offerors should assume that 70% of the proposed effort will be for Cost Plus Fixed Fee Task Orders and 30% for Firm Fixed Price Task Orders.

L.7.1, the next paragraph, page 67, delete the first sentence and replace with the following sentence. The revision, in bold, is to correct the ending date of the one year referenced.

Although the task ordering period is five years, the cost/business proposal instructions require that labor be priced for evaluation purposes assuming a performance period of only one year, 10/01/01 – **09/30/02**.

L.7.1, the next paragraph, page 67, delete the paragraph and replace with the following paragraph. The revision is shown in bold italic print.

***RFP-stipulated amounts for Other Direct Costs (ODC) are provided in the detailed instructions. Costs that Offerors classify as "other direct costs" also vary from firm to firm. Therefore, in addition to the RFP-stipulated ODC, which are for travel and other miscellaneous ODC incurred during performance, each Offeror and subcontractor may include an amount for ODC based on its own accounting system and experience and provide rationale for the estimates. The categories of cost must be identified.***

L.7.4, Other Direct Costs (ODCs), Paragraph 1, page 69, add the following sentence.

**If Offerors propose ODCs in addition to the RFP-stipulated amount, Offerors must identify and provide rationale for the estimates because only those identified are billable without Contracting Officer approval.**

L.7.4, Subcontracts, Paragraph 2, page 69, delete the first paragraph and replace with the following paragraph. The second and third paragraphs are unchanged. The revision is shown in bold print.

2. Subcontracts – The Government anticipates that subcontracts will be predominantly cost-plus-fixed-fee **or fixed billing rate/time and material**. Subcontractors must submit a cost or price proposal in accordance with the cost/price proposal instructions in this section, **except that small dollar value consultant-type labor hour subcontractors may provide abbreviated cost information and make adjustments to the schedules. In that instance, evidence supporting the commerciality of the proposed billing rates should be provided in place of detailed cost information.** Regardless of dollar value, subcontract proposals must be adequately documented to facilitate an evaluation of proposed costs.

L.7.4, Profit/Fee Objectives, page 70, delete the paragraph and replace with the following paragraph. Revised language is in bold print, and some text has been deleted.

#### **Profit/Fee Objectives**

The overall fixed fee and profit percentages **developed in Schedule 3 will be used for task order proposal preparation during performance.**

The Government may utilize the weighted guidelines method in TAM 1215.9 and its Appendix E to evaluate proposed fee/profit for reasonableness. The Offeror's cost/business proposal should contain adequate data and rationale for any consideration it wants included for Contract Risk and Special Factors. For proposal evaluation purposes and to establish **fixed** fee and **profit percentages** for use during contract administration, all Offerors must make the following assumptions:

1. The Offeror's proposed cost for direct labor and subcontracted labor shall be allocated 70 percent cost-plus-fixed-fee, 30 percent firm-fixed-price.
2. Offeror-estimated Other Direct Cost shall be allocated 70 percent cost-plus-fixed-fee 30 percent firm-fixed-price.

L.7.4, Part 2, page 72, delete the line for Schedule 2 and replace with the following line. Revised language is in bold print.

Schedule 2: "Summary of Proposed Costs, **Fixed Fee and Profit.**"

L.7.4, Part 3, page 73, delete the title of Schedule 2 and replace with the following title. Revised language is in bold print.

Schedule 2: "Summary of Proposed Costs, **Fixed Fee, and Profit**"

L.7.4, Part 3, page 75, delete Schedule 2 and replace with the following Schedule 2. The title is revised and other revised language is in bold print.

**Schedule 2 - SUMMARY OF PROPOSED COSTS, FIXED FEE AND PROFIT**

Prime or subcontractor name: \_\_\_\_\_

Direct Labor		\$	_____
Fringe Benefits	Rate	\$	_____
Overhead	Rate	\$	_____
Subcontracts:		\$	_____
Subcontract Burden:	Rate	\$	_____
Other Direct Costs:			
RFP-Travel		\$	_____
Offeror-Estimated ODC		\$	_____
ODC Burden	Rate	\$	_____
Subtotal		\$	_____
G & A	Rate	\$	_____
Cost of Money		\$	_____
Total Costs and COM		\$	_____
Fixed Fee	Rate	\$	_____
<b>Profit</b>	<b>Rate</b>	<b>\$</b>	<b>_____</b>

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<b>Total Cost, Fixed Fee, and Profit</b>	<b>\$</b>	<b>_____</b>
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The following answers/clarifications are provided for informational purposes only, and are in response to questions received.

Question 1: On both Schedules 3 and 5, does “direct labor” and/or “Labor Cost” mean “unburdened” direct labor costs . . . on Schedule 3 it would not appear to make sense to use an “unburdened” cost, with the exception of applying the fee . . . on Schedule 3, there is no adequate definition of “indirect costs” . . . On Schedule 3 you’re adding another fee to the normal overhead rates that would normally capture indirect costs. Please clarify.

Answer 1: Amendment A0004 above clarifies Section L.

The due date for receipt of proposals is unchanged. All terms and conditions of the solicitation remain unchanged and in full force and effect.